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NATIONAL WAR FRONT BUREAU

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LECTURE CI.

THE RUSSIA WEEK.

SALUTE RUSSIA!

This week, properly speaking is Russia Week. On June 11, the Anglo-Russian Alliance was announced, and on June 22, fell the first anniversary—let us hope there will be no second, of the German invasion of RUSSIA.

A HOST OF ENEMIES.

On June 22, last year, GERMANY, true to type, attacked RUSSIA her 'ally' and 'comrade' unawares, in order to 'annihilate' her armies. But such are the inscrutable ways of Providence that the 'annihilator' is getting annihilated: GERMANY is being hoist with her own petard. By attacking RUSSIA she has created a world of enemies—the hostility of 30 Nations—the U. S. A. among the rest.

UNBLITZED.

The Nazi Blitz has been unblitzed. On the Russian battlefield the lightning strokes have failed before the Russian weight of men and metal. The legend of invincibility has been shattered. Even as the German armies closed round Moscow and LENINGRAD, and the fall of the cities seemed imminent, the cup of success raised to the lip was

dashed to the ground and the German hosts fell back, on the defensive, fighting for their lives, in snow and cold. Man for man, machine for machine, the Soviet superiority was established.

A NEW STRATEGY.

Russia has also shown herself mistress of her traditional strategy in 'a war of exhaustion.' By masterly retreat and delaying action, by 'selling space for time', by 'scorching' her evacuated areas, she has gained, for herself and her Allies, a valuable year, in which the enemy was continually engaged and exhausted, and the Allies gained a breathing space in which a gigantic programme of arms production has been accomplished

BROKEN THE ENEMY'S MORALE.

Russia has broken the German Morale. Heavy, endless trainloads of millions of German wounded, streaming from the Russian battlefields into the interior of Germany, and the heavier tale of millions of killed reaching German homes have filled Germany with gloom and horror.

RUSSIA'S MIGHT.

Russia is a mighty country. With a population of 190,000,000 people and a territory, covering one-sixth of the world's surface, she is second only to the British Empire in size and might. Her resources in man-power, in water-power, coal, oil and food-stuffs are immense. She has been hallowed as the home of great men of letters and of action, as the country of Tolstoy, Turgeniev, Dostoevsky, and Gorky; it is now winning new fame and fresh laurels under Stalin and Molotov—Voroshilov and Timoshenko.

THE RUSSIAN SOLDIER.

The Russian soldier has a record of which he may well be proud. In the past, he sealed the fate of Napoleon, as he is now spelling the ruin of Hitler. The Turks and the Japanese know his valour to their cost. In the language of the *Times*, the Russian soldier is fighting today 'with the same endurance as he fought twenty-five years ago, but with greater skill and initiative, with far better equipment, and with a more accurate sense of the issues at stake'.

By her recent treaty with Britain, and her agreements with the U. S. A., Russia has linked herself with the greatest arsenals and fighting forces of the world, with countries prepared to help her with arms, sacrificing even their own needs.

This Anglo-Soviet-American Combination is going to stamp out the Axis Evil and undertake the post-war task of world-reconstruction.

Thus, as one thinks of it, June 22 is not only a Red Day, but a red letter day in the world's calendar.

On this day and in this week, we salute RUSSIA, as our valued and honoured comrade-in-arms, on whose co-operation our victory, and the future peace on earth so largely depend. Hitler's invasion of RUSSIA is a blessing in disguise to the Allied cause; Hitler has awakened the Russian Giant; Hitler's doom is sealed.

We reprint below some British appreciations of RUSSIA and RUSSIA's replies thereto, that appeared during the week.

A.—BRITISH APPRECIATIONS.

I
Mr. CHURCHILL

(Prime Minister).

" As the Soviet Union enters its second year of war, I as Prime Minister of Great Britain, which in a few months will enter on its fourth year of war, send to you, leader of the great Allied Soviet peoples, a renewed expression of our admiration for the magnificent defence of your armed forces, guerilla bands and civilian workers, during the past year, and of our firm conviction those achievements will be equalled and surpassed in coming months.

" The fighting alliance of our two countries and our other allies, to whom there have now been joined the vast resources of the United States, will surely bring our enemies to their knees.

COUNT ON ASSISTANCE.

" You can count on as to assist you by every means in our power. During the year which has passed, since Hitler fell upon your country without warning, friendly relations between our two countries and peoples have been progressively strengthened.

" We have thought not only of the present but of the future, and our treaty of alliance in the war against Hitlerite Germany, and of collaboration and mutual assistance in the post-war period, concluded during M. Molotov's recent visit to this country, has been welcomed as sincerely by the British people as it has been welcomed by the Soviet people.

" That treaty is the pledge that we shall confound our enemies, and when the war is over build up a peace for all freedom-loving people."

II

Mr. C. R. ATTLEE

(Deputy Prime Minister).

" Supplies have been going through to Russia, and we will continue to help them. The Russians have blunted the German weapon, but they have not destroyed it. They are putting up a magnificent defence which, in due course, will turn to offence and utterly rout the common enemy, but all the help we can send will be needed. Mr. Molotov's visit has done a great deal to bring about closer understanding with our people and closer co-operation."

III

SIR STAFFORD CRIPPS

(Leader of the House of Commons).

" The time will come when, with the help of the United States and its industrial forces added to our own and the Soviet Union's productive resources, we shall be able to launch a great and successful attack upon Hitler in the West."

" But, it is success that is of the essence of the help that we can render to our Allies ; failure would damage, and would not assist our common cause. When we strike, let us strike hard, with the determination to march through to Berlin, before we call a final halt. When that moment will come, we cannot say, I am not going to help Hitler by telling you or him. It may be sooner or later, though Hitler has apparently guessed that it may not be too far ahead.

" As we make our preparations, so, no doubt, he will try to make his, too, and this, in itself, may influence the time factor. This matter, as you know, was discussed with M. Molotov, Soviet Commissar for Foreign Affairs, when he was in England, and I can assure you that he knows much more about it than I can tell you.

" The two countries and the world owe a deep debt to four men. M. Molotov, the Russian Ambassador, M. Maisky, Mr. Churchill and Mr. Eden,

" Future generations will hail their work as the laying of a great foundation stone for the structure of the post-war world.

" Before peace, must come victory—a victory that can only be won by ceaseless courage and endurance, and through disappointments and reverses of which we have not yet seen the end.

GREATER CONFIDENCE.

"We are, all of us, today more hopeful and confident than a year ago, but do not let us under-estimate the strength that still remains in our enemies, or the violence and determination of the attacks we must expect before they are beaten. It may still take us a long time to overcome their vast military and industrial organisation.

"The British and Soviet armies may be widely separated in space, but the same spirit and the same disciplined courage that is maintaining our soldiers and airmen in the Western Desert, is calling forth deeds of valour in the Red Army round Kharkov or in Sebastopol.

"Our Russian allies realise, more fully than some of their friends in this country may appear to do, the magnitude of our effort, the length of time we have been fighting, the enormous strain that has been put upon our navy, merchant seamen, air force and soldiers in widely scattered regions of the world, just as we realise the incomparable sacrifices which the Soviet people have willingly offered to the common cause of victory.

NAZI TERRORISM.

"The tale of horror and brutality daily mounts, as the Nazis wreak their angry vengeance on men, women and children of the Occupied countries. But, one day those individuals, who have been responsible for this deliberate policy of sadistic cruelty and slaughter, will have to answer for their deeds Not for revenge, but because a civilised world must be strong enough to make clear that it will not tolerate these foul inhumanities.

"There is much the Russian and British people can learn from each other besides the art of war, if we are not afraid to learn, and there is much we can both contribute to a new philosophy, and to new practices in the international life of the post-war world.

"Together, our peoples will go forward, not in any false-spirit of optimism, but with dogged and united determination to wipe the foul blemish of Nazism from off the face of Europe."

IV

SIR ARCHIBALD SINCLAIR

(Secretary of Air).

"I salute the glorious achievements of our gallant Soviet allies in the field of war. Continuing the struggle in comradeship to a victorious end, may we also, in days of peace, work together in a new world order, based on mutual understanding and goodwill."

V

GENERAL SIR ARCHIBALD WAVELL.

(*Commander-in-Chief in India*).

"On what I hope may prove the only anniversary during the war of the treacherous blow struck by Germany against your country, I beg you to convey to the indomitable land, sea and air forces of Russia, greetings from myself and from the fighting services of the India Command.

"The courage and endurance of the Russian forces and the Russian people have rightly evoked the admiration and gratitude of the world. We wish all success to your arms.

"I should like to add a personal message of good wishes to a people and a country I have known and so greatly liked for more than 30 years.

"China will assist her Soviet ally by holding down the enemy in the East, and will fight shoulder to shoulder with her allies for the attainment of their sacred objective."

VI

DR. TEMPLE

(*Archbishop of Canterbury*).

'I trust that our two nations may grow in mutual understanding and appreciation, and work together in cordial goodwill for victory in war and welfare of mankind in a peace based on justice and goodwill."

B.—RUSSIA'S REPLY.

I

M. KALININ

"The Russian people are now fully armed, and meet the invader confident of victory. We have all the war material and arms we require to attain this end. The German much-advertised Spring offensive has not materialised, and I can say with confidence that the German Army is unable now to launch a general offensive on the whole Front. The invader's initiative has been wrested from him, and his initial success checked."

II

M. STALIN

"In this war of liberation, we shall not be alone. In this great war, we shall have faithful allies in the peoples of Europe and America, including the German people itself, oppressed by Hitler's satraps. Our **war for the**

freedom of our Fatherland is merged in the struggle of the peoples of Europe and America for their independent freedom. It is a United Front of the peoples who stand for freedom against the threat of enslavement by Hitler's Fascist armies. This is the meaning of the historic speech of the British Prime Minister, Mr. Churchill, about aid to the Soviet Union and of the declaration of the Government of the United States concerning their readiness to give assistance to our country."

III
MARSHAL TIMOSHENKO

"I greet warmly our English allies. The Red Army will continue to fight the German marauders until complete victory. Success to the task of freedom-loving nations."

WEEKLY WAR SUMMARY.

20—6—42 to 26—6—42.

Libya.—We now have General Auchinleck's report of the events leading up to the fall of TOBRUK. An enemy attack at the end of May having been anticipated the Eighth Army made preparations to meet the enemy between GAZALA and BIR HAKHEIM; the R. A. F. had begun a counter-offensive action a week earlier. Bitter fighting ensued in the KNIGHTSBRIDGE-EL ADEM area, when the enemy succeeded in entering a gap in the Allied mine-fields; but owing to intense air-attacks he was confronted with the difficulty of getting supplies. This was a crucial moment when the enemy was exhausted and could have been overwhelmed; but the Allies were equally exhausted.

On June 3 the enemy established himself in the forward bases of the mine-field area. On June 4, General Ritchie who counter-attacked was himself forced back by a counter-stroke. This led to the evacuation of BIR HAKHEIM on June 10. Reinforced by the forces released from BIR KAKHEIM Rommel broke through the KNIGHTSBRIDGE-EL ADEM area to the coast. For four days he was successfully held in air and on land. On June 7, Ritchie withdrew to the EL ADEM-EL DUDE-EL REZEGH area, leaving an adequate garrison behind at TOBRUK. On the morning of June 20, the enemy attacked TOBRUK in strength and entered the fortress from the south-east. Mass Stuka raids on the garrison's anti-aircraft defences followed by a very heavy barrage led to the fall of TOBRUK.

Rommel has lost no time in exploiting the advantage of his position. Following the evacuation of BARDIA he has messed his troops opposite FORT CAPUZZO, with some units further south towards SIDI OMAR and SHEFERZAN and FORT ADDALENA.

The R. A. F. and the U. S. Army Air Corps have raided GAZALA, BENGHAZI and TMIMI, while the South African Air Force have bombed enemy transport between TOBRUK and CAPUZZO.

With the fall of TOBRUK enemy activity over MALTA has increased.

The Battle of EGYPT has begun. GAMBUT, SOLLUM and SIDI OMAR have been evacuated. The enemy has advanced to SIDI BARRANI. The Imperial Forces have been reformed to meet the Axis thrust.

The Eighth Army is locked at present in battle with the Axis between SIDI BARRANI and MERSA MATRUH.

Russia.—German forces attacking SEBASTOPOL are reported to have closed in and penetrated certain points on the northern side of the fortress. Soviet defenders, facing superior numbers are fighting with their backs to the wall.

A fresh battle has started in the KHARKOV sector, where the Germans have succeeded in occupying KUPYANSK, about 60 miles south-east of KHARKOV.

Soviet forces have started an offensive in the SMOLENSK area; Red tanks have captured a point in the BRYANSK front. In the air-war over MURMANSK, the Germans lost 24 planes. An enemy transport of 15,000 tons was sunk in the Barentz Sea.

China.—According to the latest reports from CHUNGKING, the Japanese have been forced to abandon positions east of KINHWA. The Chinese counter-offensive in KIANGSI province is making headway, and the four major Japanese Columns moving along the CHEKIANG—KIANGSI Railway are still separated by a hundred kilometres. The enemy is concentrating on SHANGJSAO and KINKI. The Chinese have recaptured KWEIKI—the farthest point reached by the Japanese in their eastward drive for the KIANGSI—CHEKIANG Railway.

In South CHINA, on the KWANTUNG front, two of the three enemy columns advancing on the CANTON-HANKOW Railway have been effictively stopped.

The R. A. F.—EMDEN, BREMEN, HOLLAND and Northern FRANCE were the principal targets on the continent. In BURMA, AKYAB on the coast, KALEWA and HOMALIN on or near the CHINDWIN River, MAGWE in Central BURMA and MYTIKYINA in Northern BURMA were successfully bombed.

The Pacific.—RABAUL and LAE were raided by the Australian Air Force, and a Japanese transport of 10,000 tons was hit near RABAUL.

The Japanese have occupied KISKA, one of the islands of the RAT group in the Aleutians.

Miscellaneons,—(1) Mr. Churchill has arrived in WASHINGTON for consultations with the President. The conversations are proceeding. It is believed that they refer to questions of shipping and supplies, and the strategy of a second front in EUROPE. Mr. Churchill met Congressional leaders at White House on June 25.

(2) Eastern point on VANCOUVER Island was shelled by a submarine. The only damage was a few windows broken by concussion.

ALLIED Air Raids over ENEMY and ENEMY-occupied COUNTRIES.

Date / Targets.	Damage caused by air bombardment	Aircraft losses for Allies.	Aircraft losses for Enemies
10—6—42 (Wednesday).			
ITALY. (By American and British planes).			
The Naval base at TARANTO.			
11—6—42 (Thursday).			
GERMANY and GERMAN-occupied EUROPE. (By British planes).			
No information available.			
LIBYA. (By British planes).			
Offensive sweeps over the forward areas of CYRENAICA. **Enemy concentrations and gun position and a large number of motor transport vehicles in the** BIR HAKHEIM **region.**		3 planes.	
RUSSIA. (By Russian planes).			
Air combats and aircraft on the ground along the entire War front.			
FAR EAST. (By American and British planes).			
No information available.			
ITALY. (By American and British planes).			
The Naval base at TARANTO.	2 destroyers sunk.		
GREECE. (By American and British planes).			
PIRAEUS.			

2

ALLIED Air Raids over ENEMY and ENEMY-occupied COUNTRIES—*cont.*

Date. Targets.	Damage caused by air bombardment.	Aircraft losses for Allies.	Aircraft losses for Enemies.
12—6—42. (Friday).			
GERMANY and GERMAN-occupied EUROPE. (By British planes).			
NIGHT :—			
Enemy ships off the DUTCH coast.			
LIBYA. (By British planes).			
Enemy armoured columns and transport vehicles in the BIR HAKHEIM area.			
The harbour at BENGHAZI.			
RUSSIA. (By Russian planes).			
Air combats and grounded aircraft along the entire War Front.			
FAR EAST—NEW BRITAIN. (By American and British planes).			
The aerodromes at RABAUL and GASMATA.			
13—6—42 (Saturday).			
GERMANY and GERMAN-occupied EUROPE (By British planes).			
DAY :—			
Gas holders, industrial targets and enemy communications in Northern FRANCE.			
A locomotive and a goods engine near ETAPLES.			
A goods trains at DIEPPE.			
LIBYA. (By British planes).			
Offensive sweeps over the forward areas of CYRENAICA.			
Nazi armoured units and transport vehicles in the BIR HAKHEIM area.			
RUSSIA. (By Russian planes).			
Air combats and aircraft on the ground along the whole Front.			

Date. Targets.	Damage caused by air bombardment.	Aircraft losses for Allies.	Aircraft losses for Enemies.
14—6—42 (Sunday).			
GERMANY and GERMAN-occupied EUROPE. (By British planes).			
NIGHT :—			
Enemy shipping off the DUTCH coast.			
A convoy of 3 ships west of DENHELDER.	2 ships sunk.		
Enemy aerodrome and other targets in occupied FRANCE and HOLLAND.		No loss.	
LIBYA. (By British planes).			
Offensive sweeps over the forward areas of CYRENAICA.			
Enemy motor transport and tanks near ACROMA.			
Aircraft on the landing ground at DERNA.	Large fires started.		
CRETE. (By British planes).			
The aerodromes in CRETE.			
ITALY.			
The Naval base at TARANTO.		4 planes.	
RUSSIA. (By Russian planes).			
Air combats and aircraft on the aerodromes along the entire front.			
FAR EAST—SOLOMON Islands. (By American and British planes).			
Enemy military installations on the Island.			
15—6—42 (Monday).			
GERMANY and GERMAN-occupied EUROPE. (By British planes).			
No information available.			
LIBYA. (By British planes).			
Enemy concentrations in the EL ADEM area.			
Enemy tanks and motor vehicles in the BIR HAKHEIM area.			
The harbour and shipping at BENGHAZI.			
The aerodrome at BERKA.			

CRETE. (By British planes).

The aerodromes at KASTALI, HERAKLION and TYMBAKI.

RUSSIA. (By Russian planes).

Air combats and aircraft on the aerodromes along the entire Front.

FAR EAST—TIMOR. (By American and British planes).

The aerodrome area at KOEPANG.

16—6—42 (Tuesday).

GERMANY and GERMAN-occupied EUROPE. (By British planes).

NIGHT :—

Industrial objectives in the RUHR and RHINELAND.

Laying mines in enemy waters. 8 planes. 1 plane.

LIBYA. (By British planes).

The enemy ground forces at EL ADEM area.
Aerodromes at BERKA and DERNA. } 8 planes. 3 planes.

RUSSIA. (By Russian planes).

Air combats and aircraft on the aerodromes along the whole front.

FAR EAST—NEW GUINEA. (By American and British planes).

The air installations at LAE and SALAMAUA.

17—6—42 (Wednesday).

GERMANY and GERMAN-occupied EUROPE. (By British planes).

No information available.

LIBYA. (By British planes).

Supporting British land units in EL ADEM area.

Enemy's landing grounds at EL GAZALA and TMIMI. } Fires and explosions started.

CRETE. (By British planes).

Aerodromes at HERAKLION and KASTELI. } 4 planes.

RUSSIA. (By Russian planes).

The air combats and aircraft on the aerodromes along the entire front.

FAR EAST. (By American and British planes).

The aerodrome at LAE.

18—6—42 (Thursday).

GERMANY and GERMAN-occupied EUROPE. (By British planes).

NIGHT :—

Objectives at EMDEN, OSNABRUCK and elsewhere in North-west GERMANY.

Enemy airfields in HOLLAND and OSLO.

LIBYA. (By British planes).

The landing ground at GAZALA.

The aerodrome at TMIMI.

CRETE. (By American and British planes).

The aerodromes at HERAKLION and TYMBAKI.

RUSSIA (By Russian planes).

Air combats and aircraft on the aerodromes along the entire battle ground.

FAR EAST—NEW BRITAIN. (By American and British planes).

The aerodrome and shipping at RABAUL. Many planes destroyed.

NEW GUINEA. (By American and British planes).

Reconnaissance over the LAE area.

19—6—42 (Friday).

GERMANY and GERMAN-occupied EUROPE. (By British planes).

NIGHT :—

Laying mines in enemy waters.

Aerodromes in LOW Countries.

LIBYA. (By British planes).

The harbour at BENGHAZI.

RHODES.

MARITZA.

CRETE. (By British planes).

HERAKLION.

FAR EAST—NEW GUINEA. (By American and British planes).

The aerodrome at LAE.

FAR EAST—NEW BRITAIN. (By American and British planes).

Wharf installations at RABAUL.

BURMA. (By American and British planes).

KALEWA (on the CHINDWIN River).

The aerodrome at MYTIKYINA.

ENEMY Air Raids over ALLIED Territories.

Date.	Targets.	Damage caused by air bombardment.	Aircraft losses for Enemies	Aircraft losses for Allies.
12—6—42 (Friday).				
	BRITAIN. (By German planes).			
A place in South-east ENGLAND.				
	MEDITERRANEAN. (By German planes).			
MALTA.				
	FAR EAST. (By Jap planes).			
No information available.				
13—6—42 (Saturday).				
	BRITAIN. (By German planes).			
No information available.				
	MEDITERRANEAN. (By German planes).			
MALTA.			2 planes.	
	LIBYA. (By German planes).			
TOBRUK.				
	FAR EAST. (By Jap planes).			
No information available.				
14—6—42 (Sunday).				
	BRITAIN. (By German planes).			
A point in South coast of ENGLAND.				
	MEDITERRANEAN. (By German planes).			
MALTA.			1 plane.	
	LIBYA. (By German planes).			
TOBRUK.				
15—6—42 (Monday).				
	BRITAIN. (By German planes).			
No information available.				
	MEDITERRANEAN. (By German planes).			
MALTA.			15 planes.	
	LIBYA. (By German planes).			
Objectives at MERSA MATRUH and FUKA areas.				
	FAR EAST—AUSTRALIA. (By Jap planes).			
Port DARWIN.		A few casualties and slight damages.	4 planes.	1 plane.
16—6—42 (Tuesday).				
	BRITAIN. (By German planes).			
No information available.				
	MEDITERRANEAN. (By German planes).			
MALTA.				
	LIBYA. (By German planes).			
British positions in the EL ADEM area.				
	FAR EAST—NEW GUINEA (By Jap planes).			
Port MORESBY				
17—6—42 (Wednesday)				
	BRITAIN. (By German planes).			
No information available.				
	LIBYA. (By German planes).			
British positions in SIDI REZEGH area.				
	MEDITERRANEAN. (By German planes).			
MALTA.			1 plane.	
	FAR EAST—NEW GUINEA. (By Jap planes).			
Port MORESBY.			No loss.	2 planes.
18—6—42 (Thursday).				
	BRITAIN. (By German planes).			
No information available.				
	LIBYA. (By German planes).			
British positions in the battle area in CYRENAICA.				
	MEDITERRANEAN. (By German planes).			
MALTA.			1 plane.	

ENEMY Air Raids over ALLIED Territories—*cont.*

Date.	Targets.	Damage caused by air bombardment.	Aircraft losses for Enemies.	Aircraft losses for Allies.
19—6—42 (Friday).				
	BRITAIN. (By German planes).			
NIGHT :—				
ENGLISH CHANNEL.			1 plane.	
	MEDITERRANEAN. (By German planes).			
MALTA.				
	LIBYA. (By German planes).			
British aerodromes in the battle area.				
20—6—42 (Saturday).				
	BRITAIN. (By German planes).			
NIGHT :—				
South East coast of ENGLAND.				
	LIBYA. (By German planes).			
TOBRUK.				
	MEDITERRANEAN. (By German planes).			
MALTA.				
	FAR EAST. (By Jap planes).			
No information available.				

SIDE LIGHTS.

TOBRUK is a test in these testing times—a test of real *morale,* in practice rather than in precept. Morale is not mere faith or optimism but a clear perception of values—it is based on a sense of proportion, a correct perspective of things, a proper correlation of parts to the whole. In the ultimate analysis, morale is not merely emotional strength so much as it is the strengthening of the will based on a balanced mind.

TOBRUK is a serious blow. TOBRUK which resisted a siege of 250 days last year has fallen in a day. TOBRUK has, for the present, upset allied plans in the Middle East and cost heavily in men and material. It has lost the Allies a valuable advanced base while it has gained the enemy an approach to the Egyptian frontier.

We know also the causes that brought about the reverse. We were outnumbered, out-gunned and out-armoured. It was the victory of metal over man, in spite of Allied heroism, in which the Indian forces had a share. It was due again to the difficulties inherent in long-lines of communication, insufficient shipping, and the prior claims of RUSSIA, AUSTRALIA and INDIA demanding a diversion of available supplies.

But, as the *Times* has pertinently pointed out, a battle lost is not a campaign lost. As battles go, the Battle of the Desert is a queer affair—fluid as it is

called. Large areas are apt to change hands with dramatic suddeness. First came Wavell's brilliant sweep across LIBYA when all CYRENAICA lay at his feet and the march on TOBRUK began : but subsequently he had to fall back, owing to the superior necessities of CRETE. Then began another successful offensive, this time by Auchinleck, which drove the enemy once again to the frontiers of LIBYA, as far as EL AGHEILA. When Rommel recovered, it was only part of the lost ground. In desert warfare ground gained or lost means little, compared with the destruction of armaments: it is also a question of reinforcements. Efficiently reinforced, the Libyan see-saw would again incline in Allied favour. Rommel is still far from his main objectives—which are ALEXANDRIA and CAIRO. There is no room for pessimism. The Allied military structure is intact, for defence and offence.

The British task at present is to halt Rommel on the long and difficult road into EGYPT and force his retreat. "It *must* be done and it *can* be done."

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A DECISIVE YEAR. Mr. Churchill's sudden visit to WASHINGTON to take 'lightning decisions' is an indication that this year may prove a decisive year for the war. Rommel's move in LIBYA, the German move in the CRIMEA and before KHARKOV, and the Japanese concentration in CHINA, indicate the Axis intention to take a quick decision. The Axis is exhausted. JAPAN knows her fall would follow GERMANY's. It may be that her Aleutian adventure is a prelude to an attack on RUSSIA in the rear. If so, Allied assistance to RUSSIA will increase. At any rate the conclusion of the Anglo-Soviet Alliance and the Soviet U. S. A. agreements indicate that 1942 may turn out a decisive year, in which the Allies by a concentration of strength may overthrow the enemy in his last desperate gamble.

SEBASTOPOL is the TOBRUK of the CAUCASUS, and the German onslaught has fallen in full force. For three weeks SEBASTOPOL, savagely hammered continues to resist; but a beleaguered fortress, unless reinforced cannot hold on indefinitely, if the attackers are prepared to lose recklessly on their side. GERMANY is prodigal of cannon-fodder.

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THE ALEUTIANS. The Japs are reported to have secured a couple of foot-holds in the ALEUTIANS. These islands, though in the same latitude as the BRITISH ISLES, are colder and much more foggy than BRITAIN, so that the weather has impeded American attempts to locate and eject the enemy. Still Japanese losses in this area inflicted by the U. S. are reported to be considerable: a cruiser has been sunk and several warships have been damaged. The ALEUTIANS are of vital

importance. Owing to the curvature of the earth's surface at this point these islands bring TOKYO and SAN FRANCISCO near. KISKA in the RAT Islands group is only 800 miles from the Russian town of PETROPALOVSK in KAMACHATKA. In Japanese hands they would constitute a threat to AMERICA and Asiatic RUSSIA; in Allied hands they are a pistol pointed at TOKYO— Japan's heart.

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CHINA. The present Japanese moves in CHINA are not without significance. Sea routes having become unsafe, and shipping losses heavy, JAPAN is now anxious to establish a land route for the transmission of military supplies. The ferocious battles that are now fought in CHEKIANG, KIWANGSI, and KWANTUNG are in fact intended to gain the control of the HUNGCHOW-NANKING, and the HANGKOW-CANTON Railways, so as to open a continuous land-route from MANCHURIA to SINGAPORE through INDO-CHINA.

CHINA, well aware of these intentions is fighting back and resisting at every step. The recovery of CHANGSHAN, in CHEKIANG is an evidence of her inexhaustible guerilla intrepidity. Important positions round KINHWA have been recaptured. The thrust towards KIANGSI has been blunted, and the enemy aspirations have been, generally speaking, reduced to a ding-dong struggle.

The enemy is trying to make out that Chinese morale is sinking and Allied help is not reaching them. In a recent statement General Chiang Kai-Shek said, 'When I started I had only 2,000 cadets in a military school. To-day I have 3,000,000 men and half of CHINA and the friendship of AMERICA and ENGLAND'

'The western democracies', said Sir Stafford Cripps 'in their turn, look to CHINA for the salvation of ASIA. If as Napoleon said, the strength of an army is three-fourths morale and one-fourth men and material, the Chinese spirit of resistance will continue to be superb.'

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THE GYMNASTICS OF LYING. The Axis is excelling itself in what some one has called the gymnastics of lying, especially in belittling the strength of the U.S. navy. After PEARL HARBOUR, the U. S. A. were said to have irrevocably lost the control of the Pacific; after Coral Sea, the U. S. were relegated to the rank of a third-rate naval power with only half a dozen capital ships left, on June 8, 'U. S. defensive forces in the Pacific area were on the verge of 'collapse'; when, unfortunately for the Axis, June 12 followed, attended by the Japanese

disaster of MIDWAY, and much against her wish, JAPAN had to blurt out, 'the attack on MIDWAY lured out *the American Fleet* and also blocked *American offensive action*'. If the U. S. Fleet had collapsed on June 8, we ask, how it emerged, on June 12, and took 'offensive action'.

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THE POSITION OF THE JAPANESE NAVY. But the 'extinguished' American navy has done a bit of work in its time. In the last six months the U. S. navy, according to WASHINGTON figures, has definitely reduced JAPAN's tonnage by an eighth of its total strength or by 51 warships. In addition, about a third more has been 'damaged', or 'possibly sunk' or 'damaged', bringing the total to 45 %, Of the non-combatant units operating with the fleet—such as supply-ships, tankers, transports etc.—74 have been definitely sunk, and 48 damaged. Most serious from TOKYO's point of view is the loss of 10 aircraft-carriers and 35 cruisers sunk or damaged in contact with the U. S. navy. Yet the Japanese radio has the effrontery to say that the U. S. navy has 'collapsed'

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AMERICAN AIR STRENGTH. Far from facing any risks at sea, AMERICA is now boldly switching from battleship production to aircraft production. Were we not distracted by the dramatic panorama of battles and sieges we should be struck with wonderment at the amazing spectacle of American manufacture and fighting enterprise. U. S. bombers and fighters may now be said to be already omnipresent in all the fighting areas—CHINA, BURMA, INDIA, LIBYA, AUSTRALIA, and the German territories—owned and occupied—the Atlantic, the Pacific, the Mediterranean and the Black Sea. But all this is only a foretaste of things to come. There is evidence that American production of the Air Arm will be on a mass scale. The U. S. programme of battleships has been scrapped for the present in favour of big aircraft-carriers. Every ship will hereafter carry an aircraft. Aircraft will be developed as an anti-tank weapon.

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A STRANGE NAZI PURGE of what are called 'anti-social and destructive elements' is taking place. Mass arrests have already begun in VIENNA. Black lists are under preparation. The arrested persons will be forced into labour squads or put into the Gestapo's 'schooling camps'. More than 800 magistrates have been dismissed on charges of leniency. A campaign has been started against those incapable 'of living in the community' owing to their anti-social attitude. The annuity hunter who will do no work, the insurance sponger, who is uneconomical, all those who cannot run a household or raise children are on the list.

ITALY'S SECOND ANNIVERSARY that is, of her entry into the war came off on June 10. As we write about it we recall old Cowper's lines :

'Rome shall perish—write that word
In the blood that she has spilt
Perish, hopeless and abhorr'd
Deep in ruin, as in guilt.'

We recall the furtive assassin stroke she dealt in the back when FRANCE lay prostrate, her jackal ambition to seize, CORSICA, SAVOY, NICE, TUNIS, EGYPT, SUDAN and KENYA, without a blow.

We recall also

(1) the loss of the Empire of ABYSSINIA and some 200,000 men,
(2) the loss of LIBYA, and an army of 300,000 men,
(3) the shame of TARANTO and MATAPAN,
(4) the disgrace in ALBANIA and GREECE,
(5) ITALY's 'sovereignty' over 'CROATIA' where the Italian deputy—the Duke of SPOLATO dare not set his foot,
(6) ITALY's virtual expulsion from DALMATIA,
(7) the reign of the Gestapo over ITALY,
(8) the transfer of free Italians to serfdom and forced labour in GERMANY,
(9) Mussolini's fall, and
(10) the glory of ROME that has departed.

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JAPANESE 'OCCUPATION' We subjoin another list to show what Japanese 'occupation' means in practice.

Firstly, it means 'confiscation'—when SHANGHAI was occupied Japanese ronins quietly took over every business. In the case of factories 'observers' were sent first to see that nothing was removed; next, the machinery of the factory was 'borrowed' and lastly, it was confiscated.

Secondly, Japanese occupation means 'expulsion', which was the method adopted when householders objected to parting with their dwellings or property.

Thirdly, it means the *bayonet*—The owner of a bath-house in HANKOW was first offered 'protection'. Agreeing, he improved the house, spending several thousand dollars, only to be driven out later by gendarmes.

Fourthly and fifthly, it means *imprisonment*, and the *brothel*. The owner of a shop in HANKOW was arrested and imprisoned in the name of occupation and the house converted into a brothel.

Sixthly, and seventhly it means 'partnership' and 'looting'. In SWETOW the Japanese imposed themselves as partners in merchants' shops and factories and exacted a profit of 50%.

The fertile rice fields of PEIPING were looted and the farmers ejected to earn their bread as rickshaw wallas.

Eighthly, it means *colonisation.* Between 1938 and 1941, 83,873 families were evicted from the North-eastern Provinces, and the area of eviction totalled 247,173 acres.

Lastly, it means even '*murder*'. Chinese who resisted the colonisation were 'killed' and the land was 'reclaimed.'

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THE CLOAK OF RELIGION. Japanese ambitions lie deeper even than territorial conquest and political domination: they aim at cultural, and particularly, at religious conquest. It is farcical that JAPAN which has lost its soul and professes Shintoism, a political shibboleth, should aim at the spiritual leadership of the East. On June 10 Tanakayoshioi broadcast and explained the meaning of the Japanese leadership of the Co-prosperity Sphere :—

'The Philippines.' 'The Filipinos,' he pointed, 'are a very superficial people. They dress well and make a brave show but their houses are surprisingly dirty and miserable. They are lazy by nature and slovenly in thought, thoroughly demoralised by American example.'

What is the remedy ?

'Nevertheless, the Filipinos are fairly pious. When they make money they make costly, magnificent coffins for their parents, even when they are alive. This practice is Japanese in its spirit of filial piety. If we Japanese can develop Filipino filial piety the Filipinos will become a decent people.'

Thailand. 'THAI Buddhism has something in common with Japanese Buddhism. THAI priests have a tremendous influence among the people. They do not beg so much as *demand* alms from the people, who obey them blindly and respect them very reverently.

'If we Japanese can control and guide these priests, who in turn control and guide the people, then we shall have no difficulty in leading THAILAND religiously.'

Burma. 'When the priests tell the people to buy Japanese goods they do so.

'We must thoroughly understand both the Burmese priests and the Burmese people. BURMA is a mass of temples; if we control them, our task is complete.'

India. 'A spiritual reformation in BURMA would greatly affect the neighbouring country. INDIA. INDIA possesses a deeply religious consciousness, but the spiritual aspirations of Indians have not yet been fulfilled. They also await a Saviour. In other words if we had THAILAND, we shall gain BURMA. If we have BURMA, we shall also gain INDIA.'

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NATIONAL SAVINGS. We print elsewhere in this issue two articles, one on the need for savings in INDIA to prevent inflation, and the other on BRITAIN's unique experiment in saving. In the manifold strategy of war the strategy of finance plays no inconspicuous part: and in the strategy of British Finance, the strategy of *small* savings has proved a phenomenal success. The National Savings Group, as it is called, is a peculiarly British organisation—wholly voluntary, absolutely democratic, with its self-chosen, that is, elected, unpaid officers. As Sir Kingsley Wood, Chancellor of the Exchequer pointed out on the 19th, 'Once a person has joined the group, he has joined the vast army of people who have pledged themselves to save regularly and continuously for victory.' The *Street* Savings Groups are even more striking. The first group was formed in 1940 and now owns 10,000 branches with a membership of four millions. Here is a practical proposition to our National War Front workers.

GENERAL TOJO SMILES.

by

Rennie Smith.

(From London by special Cable.)

Japan is cast for the seductive role of Mephistopheles in India. General Tojo, the Japanese Premier, is reported as saying that Japan harbours no hostility towards India's millions. Within 48 hours of this enticing appeal, the Berlin Radio was announcing that Hitler had received Subhas Chandra Bose at his headquarters, and Ribbentrop—who has also long been a major salesman in Germany of fond hopes that in all things the British are "now on the verge of collapse"—was also present.

The staging of these two items in close proximity is of course a pure accident. Nobody pays the slightest attention to them. What is, however, of interest is the style of the Japanese Prime Minister's speech-making and

propaganda. The Japanese smile is politically unique. It has a monopoly value and is beyond imitation or export. You can see it on General Tojo's ace.

AN INSCRUTABLE PEOPLE.

I recall a statesman of the West, after a long public life, once saying that of all the people in the world with whom he had had to deal there was only one nation which baffled him, with which he felt he had never had real contact, and which he could make not the slightest pretension to understand. It was the Japanese: this is General Tojo and his smile, as he was expressing that tender feeling of his for the sacredness of Indian blood. Not Chinese blood, mark you: Indian blood—for this is a speech and a smile for India.

It was so much like the kind of speech with which Germany has fouled the whole free continent of Europe. In 1938 Hitler was telling a British and a French Prime Minister at Munich that he only wanted his "precious blood" Germans of Sudetenland to be in the Reich. He really had not the slightest interest in the Czechs or the Slovaks. He would gladly leave them in freedom to live their own lives and manage their own affairs.

HOW HITLER KEPT HIS PROMISE.

Six months later Hitler slept overnight in the palace of the President of Czechoslovakia in Prague, and Dr. Benes, the President, was in exile. In 1939, during six months of "phoney" war, after Poland had in 18 days been destroyed, Germany exhausted every possibility of speech and seductive temptation to tell the French how precious was French blood to them, the Germans, and asked why Frenchmen should sacrifice that precious blood for the sake of the wicked British.

You will find reams of similar speeches addressed to the Danes and the Dutch, the Belgians and Norwegians, about how precious their several 'bloods' were, and how infinitely grieved the Germans would be if any drop of any of them should be spilt. In the Norwegian case they did not hesitate to flatter as well, by saying that the 'Nordic' blood of the Norwegians was even more purely Nordic than theirs, the German.

Subsequently it took nine weeks to lay these countries low by German felony.

"GOVERNMENT BY HEYDRICH"

I am quite prepared to accept the view of my Chinese friends that in the smile of General Tojo there is a whole lot of things. My Czech friends could tell you that there is a whole system of government by Heydrich lurking under Tojo's smiling eyelashes. And what the once free citizens of Czechoslovakia do not know about the "Heydrich" government is not worth knowing. The

other day the Benes Government of Czechoslovakia in London broadcast to all Czech patriots in these terms: "If the Germans led by Hitler are now beginning to murder whole families, this is an act of bestial hate unique in history. In their attack on the monster, Heydrich, the Czech people are punishing not only the crimes committed against Czechoslovak victims but also against the victims among all other enslaved nations of Europe."

"Japan hopes and expects that the Indian leaders will seize this golden opportunity' Tojo said, "Golden enough". The smile is Japan's own. Not even Goebbels can better this Mephistophelian rôle.

THE JAPANESE DREAM.

by

Husein Cahid Yalcin.

Professor Tsunekichi Komali, of Kyoto University, Japan, broadcast a very amusing but nevertheless noteworthy talk. According to certain facts which he proclaimed to the whole world :—

"**America is nothing but Eastern Asia. Australia, too, is a part of Asia. A thick Asiatic blood runs in the veins of the population of Northern Europe. Many tools which at one time were used by Asiatic peoples are being discovered in Southern Europe. It stands to reason that we can consider Europe a part of Asia as well.**

"The Pacific Ocean is a sea reserved to Asia. That observation should constitute a new idea for the New Era. The Indian Ocean should also be reserved to Asia. There are no seven seas in the world, there is but one sea, and that belongs to Japan over which the sun is rising."

After proclaiming those facts to the world, the Japanese professor concluded :—

"Italy and Germany have recognised that Japan is the centre of Asia, for they are not sufficiently powerful to reconstruct Europe without Japanese assistance. Asia is a source of energy that serves as a mainstay for the Western civilization."

We thank the Japanese professor, in our own name, for being so modest. Why did he limit his dream to the boundaries of this small Earth? Why did he not declare that Japan was the centre of the Universe? Why did he not desire that the sun, the moon, in short, all the stars and planets, should be placed under Japanese sovereignty? That is a point which surprises us.

What will the Germans and the Italians think of that talk? Poor Fascists! How we spoke ill of them because they let themselves be swayed by the desire to resurrect the Roman Empire, when all the time the black-shirted Fascists of the West were so modest, humble, and moderate in

comparison with the yellow Aryans of the Far East! We believe that the imperialistic ambitions of Japan, as interpreted by the Japanese professor, will make a most unpleasant impression on, and awake very distressful echoes in, Berlin.

An imperialism that claims that there is room in Europe for only one great military power, will naturally ask itself how it will be possible to reconcile its own existence with that of the Far Eastern imperialism, which desires to swallow the whole of Europe as well.

The intoxication brought on by their first successes has loosened the usually cautious tongues of the Japanese. If a Japanese professor, whom one may be excused to consider wise, circumspect and moderate, attempts to place the whole world under Japanese domination, one wonders what further dreams the overwise and ardently zealous Japanese imperialists will run after.

Thus the first act of the Japanese who, to use homely expression, are counting their chickens before they are hatched, has been to set at naught their European allies. They presume that the hand which Germany and Italy have extended to them from Europe indicates their importance. Undoubtedly appearances justify the Japanese standpoint. For although the European partners of the Axis have failed to draw near by as much as an inch to their true goal in the past three years, Japan has swept over the whole of Eastern Asia like a deluge within the space of five months.

Are the utterances of the Japanese professor a delirium in the midst of an intoxication brought on by an unmerited victory? Are they a fervent expression of a sacred dream deeply rooted in the Japanese heart? Or are they a delusive and caressing touch to urge the Japanese on to further sacrifices? At any rate they are an enlightening indication as to the danger which a victorious Japan would constitute for the whole world.

Japan has proved that she deserves to be put into a position where her overflowing desire of conquest can never again threaten humanity. If a compromise peace had been possible between the belligerent groups in Europe the Japanese danger would undoubtedly have hastened it. For Europe perceives that while she is growing weaker a terrible dragon is raising its head in the Far East to swallow her.

We are indeed living at a most historical time. Those who live long enough to see the end of the war will witness many curious events.

There is no record in history of a liquidation on a world-scale. The Japanese professor is right on one point. The world no longer consists of separate continents and seas, but is a collective whole of which the parts closely and firmly adhere to each other. If mankind succeeds in subsisting on it, over it should be unfurled not the Japanese flag but the standard of liberty and justice.

THE GOOSE THAT LAID THE GOLDEN EGGS.

by

W. E. Hart.

(*In the* ***Daily Telegraph.***)

The shattering blows now being dealt by the R. A. F. to German cities and ports are likely to have demoralising effects far beyond even the observed results caused by the weight of the raids. Strange as it may seem, the Reichsluftschutzbund (The Reich Air Protection Union), which is the equivalent of our A. R. P. organisation, is inadequate and utterly ineffectual. The Reichsluftschutzbund (R. L. B.) was founded soon after Hitler had taken power in 1933. Yet it resembles in some respects nothing so much as a gangster racket—except that members are in smart grey uniforms complete with swastika and badges.

From the beginning Goering as Minister for Air took deep interest in the foundation and development of the R. L. B. He appointed Lieut.-Gen. Roques (retired) to be its leader. Roques' salary was fixed at 5,000 marks a month. He was given a luxuriously fitted office and allotted a handsome car. Adjutants and staff assistants whirled around him and expensive limousines were put at their disposal.

MILLIONS OF MEMBERS.

There was no shortage of members. They flocked in by the millions. They had been told that if they subscribed the necessary 12 marks a year, it would give them exemption from any "moral compulsion" to join the Nazi Party proper, and they could be excused duty in the S. A. and S. S. formations. Within a short time 10,000,000 availed themselves of this unique opportunity and joined up.

When the Nazi Party, who had recognised the R. L. B. and confirmed it in its independent status, saw how well it was shaping, it claimed a share of the 120,000,000 marks yearly income; Schwarz inventing new occasions for taking payments from his "volunteer". Everybody had to buy a badge representing a silver Prussian guard's star with "R. L. B." in blue letters and a tiny swastika on it. That brought in another 20,000,000 marks. Then every warden had to buy a metal plate showing this same star, to be fixed outside his door. This plate was expensive and returned more millions than the small badge.

RAIDS NOT TAKEN SERIOUSLY.

Of course the organisation arranged lecture tours throughout the country telling people about incendiaries and other kinds of bomb. Now and then some kind of entertaining "A. R. P." show was staged, but always at the smallest possible expense. Little actual equipment was supplied and shelters were not erected. In fact the R. L. B. organisation does not appear seriously to have anticipated enemy air raids.

Goering still regarded the R. L. B. as a means of filling his pockets and invented even better and more paying schemes. He introduced the "volksgas-maske" civilian respirator. This protection, such as it was, was not actually issued to every German, but everybody had to make a payment of five marks. It was a product of the firms of Auer and Draeger, but somehow word went round that it was not as good as it might be. Another kind would be procurable later. So the more anxious Germans who had money to spend could fill in another form for a better edition of this respirator at 50 marks, which had to be paid when the form of application was filled in.

GOERING'S PROMISE RECALLED.

As soon as raids on Germany started, a hurried campaign of improvisation was initiated. There was no time for real work, for that would have needed far too much material and manpower. The Germans still remembered Goering's boasts when they found themselves one day in a full-scale air raid. The moral effects were serious.

The main fire-fighting organisation was named Feuerwehrpolizei (fire-fighting police) in order to justify the special powers conferred on officers of that branch. In case of emergency they can act as police and have the right to require soldiers to salute them. Pumps and other fire-fighting material are not now up to date and are not numerous, although engines from Czecho-slovakia have been transferred to the western provinces of the Reich to an increasing extent. During large-scale attacks by the R. A. F. fire police from towns as distant as 200 miles are called in, which is an eloquent comment on local fire fighting efficiency.

The appointment of Himmler as chief of the R. L. B. may bring an end to the period of racketeering during which men of high rank in the Government and Nazi Party (including Himmler and his friend Heydrich) treated the Reichsluftschutzbund as the goose that laid the golden eggs.

True enough the R. L. B. represents the high watermark of Nazi ingenuity in raising money out of the trustful private citizen. But Himmler's job is now to sacrifice goose, golden eggs and all in the hope of bringing some order out of the chaos of misrule.

ONE CROWDED WEEK OF INGLORIOUS LIFE.

Above the sea, under the sea and on the sea Japan has had one of her most crowded weeks (week ended June 6), writes the *Daily Telegraph* in a leading article. The air attack on Midway Island, the central point of the Pacific, to which adventure the greatest force was allotted, was linked with raids on the island belt stretching from Alaska to Japan. Troop and supply convoys and submarine movements off Australia, and the dash of midget submarines into Sydney harbour, were another part of a grandiose design which extended many more thousand miles away, and sent what Tokyo calls "special submarines" to Diego Suarez.

Desire has much exceeded performance. The Allied Command in Australia has cut up the convoys and destroyed half a dozen submarines. The arrival of "special submarines" at Diego Suarez proves the preparations of Japan to make Madagascar an Axis base. Whether the submarines were midgets from a depôt ship or came under their own power, they must have been sent out before the British landing. They might have done immense damage, **but for once the Japanese war machine was too slow and too late.**

Something went wrong also with the Midway plans. That small island defied the Japanese after the outposts of Guam and Wake fell last December, and it has now defeated a strong force of carrier-borne aircraft, with battleships and cruisers in support. Losses of planes and damage to the Japanese squadron cannot yet be estimated. It is, however, clear that Tokyo thought that an action which would bring Japanese capital ships to Midway, over 2,000 miles from their home ports, was worth risking. Midway is only an air base, not a naval station, but to deprive the Americans of the use of it would reduce the power of Admiral Nimitz's fleet. The Japanese High Command are obviously anxious to test the growing strength of the United States in the Pacific, to divert its energies in all directions and threaten attacks on the west coast of America. The policy of the militarists of Tokyo, absolutely dependent on sea-ways, requires the daring of ever-growing hazards from African waters to Australian, from the Coral Sea to the Bering Sea, to prevent a concentration of overwhelming power against them.

HOW BRITAIN TACKLES HER ECONOMIC PROBLEM.

by

Normal Crump.

(From London by Special Cable.)

A few days ago I was asked if I thought that the British Government's financial policy was about right or whether it was leading to inflation. **My**

reply was that the right financial policy was the one which produced the most war material—the greatest number of tanks for Russia and Libya and the greatest number of bombs and bombers for Cologne, Essen and other German Industrial centres. Too heavy taxation, I continued, would deter workers and managements from putting their utmost into the war effort, for, as Mr. Bevin pointed out a short time ago, a nation's war effort depends on human beings. On the other hand, if the Budget remained so unbalanced that serious inflation developed, the consequent rise in prices would in itself create discontent, and so act as a deterrent to a full war effort. The British Government, therefore, has to follow the middle road, and attack its economic problem simultaneously from several sides. That is exactly what it is doing. **The real test of its policy lies in the maintenance of the national will to victory.**

COLOGNE THE ANSWER.

The best evidence of the success of the British Economic policy was found in the recent Cologne raid. Had British policy been a failure, workers and managements would not have enabled the R. A. F. to deliver to Cologne the products of their industry. It is a commonplace that the harder a nation works to win a war, the less it can produce for its own use. It is equally true that most people work harder if their week's earnings increase with the amount of work they do. But if a man doubles his efforts in building tanks it does not mean that the amount for clothing and other things that he can buy is also doubled.

This in a nutshell is the war economic problem to be solved. One big contribution to the solution of this in Britain is the National Savings Campaign. Give the worker the full cash reward of his labours, but simultaneously make him see that it is better to lend a part of it to the Government, rather than try and spend it at a time when the supply of goods is less than normal. Let us see how this has worked out in practice in Britain.

SMALL SAVINGS.

It has just been estimated that the cost of the war so far is £ 9,000,000,000. Perhaps two-fifths of this amount has been covered by taxation. But the other day Lord Kindersley revealed that nearly £ 1,500,000,000 or one-sixth, had been raised in small savings. Every factory and every street is to have its own savings group, and many of them have their savings groups already. Hundreds of collectors are going round week by week collecting subscriptions to National Savings Certificates and other forms of war loan, going round successfully in good and bad weather alike, and even on days when streets have been subject to the attacks of the *Luftwaffe*. Many workers, too, have their subscriptions deducted from their week's wages.

There is thus in progress a gigantic thrift movement. It is to-day one of the most powerful and successful weapons of maintaining the will to work, and simultaneously preventing inflation. For the future it foreshadows the growth of a people who will have learned to spend their money wisely.

LARGE SAVINGS.

Nor must large savings be forgotten—subscriptions of companies and firms. Some feel that these subscriptions are not needed, for companies cannot spend their surplus earnings, and all unessential development works are prohibited. But the British Government and the National Savings Committee continually think in terms of human nature. If large savers hang back how can small savers be expected to do their bit ? So large savers have come forward in full force, and since the outbreak of the war have subscribed nearly £ 2,500,000,000 to the war loans.

Add together taxation, small savings and large savings--and perhaps four-fifths of the total cost of the war has been covered. This has been achieved without any discouragement to the war effort, but on the contrary has proved an additional incentive. The remaining one-fifth has not proved a gap large enough to cause any serious inflation.

INDIAN UNITS IN ACTION.
THE 1ST PUNJAB REGIMENT.
CONTRIBUTION TO CAMPAIGN IN LIBYA AND ERITREA.

by

Sir Patrick Cadell, C. S. I., C. I. E. (I. C. S. Retd.)

Battalions of Indian infantry have been earning fresh honours through the African campaigns, and among them is a Battalion of the 1st Punjab Regiment, who have the British Commander-in-Chief as their Honorary Colonel.

This battalion is adding to its great deeds in Eritrea and Syria, where its performance greatly augmented the ancient and honourable tradition of the regiment.

One battalion formed part of the exiguous line which for anxious months bluffed and restrained Graziani's vastly superior forces on the Libyan frontier in 1940. They were in the front of the attack which on that December 9, swept on to Nimbewa and Sidi Barrani, and scattered these forces into captivity.

Then, switched to the Eritrean Frontier, the Regiment shared in the fighting and pursuit which took the British forces from Kassala to Keren. They captured the Italian strong-posts at Agordat and Barentu, as it were, in their stride.

At Keren they fought in mountain country for which their training on the Indian frontier had made them especially suited. With bayonet and grenade they twice seized the high point on the Ridge overlooking Keren, known as Brigadier's Peak.

HELD POSITION FOR 7 WEEKS.

Twice they had to abandon it, owing to the impossibility of reinforcement. But they clung to the ridge, though sometimes they could only be supplied with food by aeroplane. After seven weeks of fighting, reinforcements arrived, and the position was finally stormed.

Fighting of an even more severe character awaited them in Syria, where they had to meet the Vichy French Army, highly trained and, as the Italians had been, in much superior force.

WHY YOU SHOULD SAVE?

Every one knows that expressed in terms of rupees and pies, modern wars are very costly things. India, for instance, is spending 133 crores of rupees on her war-effort in the present financial year, and yet the amounts spent by the U. S. A. and Great Britain, for instance, are very much greater than this.

Why are modern wars so expensive? Every one knows the answer to this question also. War has become an immensely complicated thing. The soldier in the front-line has to be expensively equipped; he has to be helped with aircraft, tanks and artillery of many different kinds; he has to be well-clothed and well-fed in order to keep up his fighting efficiency. The rate of wastage is great, so that frequent replacement becomes necessary. Behind the man in the front-line is an elaborate supply mechanism—and behind the supply mechanism in the field are the factories and their workers, who are turning out the many thousands of items which a modern army requires.

All these things have to be paid for, and they have to be paid for *now*, because the goods are required now. The ryot who grows the cotton that goes into the soldier's shirt, the factory worker, who turns a steel bar into a rifle-barrel, the lorry driver, who transports these things to the dock side, the sailor who risks his life in his work on board-ship, all require payment

now in order to go on working and living. There can be no question of postponement, and the only practical problem is, what are the ways in which the money required for the payments of these necessary activities can be raised most economically and expeditiously ?

The money cost of a war can be met in four ways, and four ways only :—

Firstly.—by the imposition of taxation on the inhabitants of a particular territory.

Secondly.—by the population of a territory lending to the Government part of their incomes.

Thirdly.—by the Government printing paper money and using that paper money to meet the costs of the war, i.e., by inflation.

Fourthly.—by another country putting funds at the disposal of the inhabitants of a particular area, either in the way of gift or loan, or by the purchase of assets. Thus part of the cost of the war in India is being met by the expenditure incurred by the United Kingdom Government, and by the supply of war material under Lease-Lend arrangements with the U. S. A. Government.

There are limits to which arrangements of the fourth type are possible on political and economic grounds. Reliance has to be placed on the possibility of domestic financing for part of the war expenditure, and then the choice of method becomes very important.

Now, all the consensus of instructed opinion is against financing the cost of a war by the third method set out above. Why should this be so ? When an individual is taxed, or when he lends to Government, he deprives himself of the things which he otherwise might have bought, and by giving the Government the money, he enables Government to consume those things or other things which replace them. But what happens if the individual *does* not save or is *not* taxed, but the Government is forced to resort to the printing press ? In this case, Government enters into competition with other buyers to obtain the goods that it needs, and as a result of this competition, **prices go up. The result is that individuals are deprived of the goods and services which Government needs, just as much as if they had been taxed, or had voluntarily abstained from consumption or lent money to Government. There is no difference from this point of view.** But in all other respects there *are* very great differences, and these all tell against inflation as a method of war finance.

First, inflation represents a grossly unfair method of masked taxation of all those who live on fixed incomes, or on incomes which are not capable of being easily adapted to changes in the price level. The Government is armed

with infinite buying resources, and its competition in buying raises prices, and rising prices of course mean that those with fixed incomes get less and less the higher the prices rise. **Under any proper scheme of taxation, those with the smallest means are the least taxed; under inflation, those with the smallest means are taxed to an indefinite extent.**

Secondly, inflationary methods of war finance tend to be cumulative, i. e., each dose of inflation has to be followed by a still bigger dose. The reason for this is simple. Supposing Government enter into competition with other buyers and the result is that prices are doubled, half the current output having been acquired by Governmnnt. Every thing that cost Re. 1 now costs Rs. 2. It is clear that in order again to get half the accruing output, twice as much will have to be spent as in the original period and so on. If price again doubles, it will involve *four* times the original amount of inflation in the subsequent period. This necessity makes the position unbearable for all those sections of the population who cannot go on competing with Government, and at the same time by driving prices up more and more, makes the financial position of Government unbearable also, for the degree of inflation which may be involved in the case of a long and expensive war is so great that the currency may become valueless.

Therefore, it is clear that to conduct the financial operations of war without resort to practices which are highly dangerous and self-defeating, Government must rely upon being able to tax and upon being able to borrow.

These two devices are similar in that they do *not* involve competition between the State and the individual. Whether an individual is taxed or whether he lends, he abstains from spending, and so avoids entering into competition with the State, which *must* have goods if it is to conduct the war successfully. But why should not the whole of the expenses incurred be met by increased taxation ?

In the case of a short war, and one not involving a high degree of expenditure, this might be possible, but in the case of a long and very expensive war, such as the present one, it is clearly not possible to push up taxation indefinitely, since very high levels of taxation are deterrent to enterprise and economical methods of conducting business. Furthermore, taxation must be adapted to the circumstances of the community generally. It is not possible to discriminate beyond a certain point between one individual and another in the same class, and this limits the extent to which taxation can go. Loans are intended to tap resources which are the result of individual economy and self-sacrifice. In any case, prudent individuals desire to improve their position generally, and also desire to make provision for themselves and their families against contingencies which

may arise in the future. It is necessary in war time to divert such savings into channels which will serve the war-effort, and loans to the State enable this to be done. Saving enables the individual both to safeguard his future position and assist the war-effort.

But this is by no means all. **By abstaining from spending in war-time the individual makes his money go further.** As already explained, modern wars require that an enormous supply of goods of all kinds be placed at the disposal of the Government, and there is only a limited supply of such goods available. If the individual spends **now**, he spends at a time when prices are rising, and so he gets less in terms of real things than if he had postponed expenditure. By spending, he makes the war more expensive to Government, and he makes the acquisition of goods more expensive to himself. **Even apart from the patriotic motive, it is not good business to buy at a time of rising prices, when by post-poning expenditure, more can be obtained with the same amount of money in the future.**

There is one special reason for saving now, over and above all those which have already been mentioned. It is true that the cost of living has risen, but so have earnings, and many people find themselves better off than they were before war. But the high level of employment and activity which is due directly to the war may not continue when the war is over ; at any rate, it is likely that there will be a period of change-over from war to peace conditions, during which employment and earnings are likely to be adversely affected. It is only common-sense, by saving now, to make provision for the rainy days which certainly lie ahead. And just as spending **now** is uneconomical because prices are high, so it will be economical to spend **then** because prices will be lower. From the patriotic point of view also it is desirable to spend then, because it will lessen the risk of severe unemployment arising out of the dis-location of the transfer period between peace and war conditions.

PROGRAMME OF LECTURES

OF THE

Pudukkottai State National War Front Bureau.

1942—

LECTURE CI—(*Batch 3*).

June	...27, Saturday ...	Town Hall	...	6.30 p. m.
	28, Sunday ...	Alangudi	...	6.00 p. m.
		Kottaikkadu	...	6.30 p. m.
	29, Monday ...	Annavasal	...	6.00 p. m.
		Kilakkurichchi	...	6.30 p. m.
	30, Tuesday ...	Ramachandrapuram	...	6.00 p. m.
		Rayavaram	...	6.30 p. m.
July	... 1, Wednesday.	Malaiyur	...	6.00 p. m.
		Karambakkudi	...	6.30 p. m.
	2, Thursday ...	Valaramanikkam	...	6.00 p. m.
		Embal	...	6.30 p. m.
	3, Friday ...	Kulipirai	...	6.00 p. m.
		Sevalur	...	6.30 p. m.

LECTURE CII—(*Batch 4*).

4, Saturday ...	Municipal Office	...	6.30 p. m.
5, Sunday ...	Nirpalani	...	6.00 p. m.
	Avoor	...	6.30 p. m.
6, Monday ...	Karaiyur	...	6.00 p. m.
	Idaiyattur	...	6.30 p. m.
7, Tuesday ...	Andakkulam	...	6.00 p. m.
	Killanur	...	6.30 p. m.
8, Wednesday.	Kiranur	...	6.00 p. m.
	Nanjur	...	6.30 p. m.
9, Thursday ...	Vadavalam	...	6.00 p. m.
	Sammattividuthi	...	6.30 p. m.

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